



Infrastructure should be a top priority for Kentucky in 2019

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As leaders of Kentucky's three largest commercial service airports, we understand that infrastructure investment is critical to our state's continued economic success. Our airports are critical infrastructure assets to Kentucky, supporting more than 100,000 jobs and creating a \$13 billion impact for the Commonwealth and the Louisville, Lexington, and Northern Kentucky regions. Growth will only continue if we appreciate the need to invest in airports, as well as provide funding for infrastructure that is in and around airports, such as highways, roads, and bridges.

Infrastructure, and the ability it provides to connect locally and internationally, is a key driver for businesses that are considering to expand in or relocate to our state. Businesses make location decisions, in part, based on the air service connectivity of our local airports and the accessibility of highways and roads that facilitate getting their goods to market. Indeed, in 2018, we estimate our three airports will have served about 13.9 million passengers—business and community members who rely on infrastructure to get to our airports and continue their journeys.

Kentucky is the premier air cargo venue for North America—serving as home to DHL's second largest operation in the world, the soon-to-be constructed Amazon Air hub, and UPS Worldport. Kentucky plays a key role in e-commerce, both domestically and internationally, with growth anticipated to increase in 2019. The goods shipped through airports must get to homes and businesses via ground transportation. Businesses like DHL, Amazon, and UPS need to move people and goods as efficiently as possible—lack of air service and well-maintained airports, congested roads, and failing or undersized bridges hinder the ability to retain and attract business. We want to continue to spur economic growth, not impede it.

Kentucky is in urgent need to appropriately fund our critical infrastructure needs, to both size our infrastructure to accommodate for future growth and to maintain what is currently in place. Highways, roads, bridges, and other forms of transportation across this state require billions of dollars in maintenance, let alone needed funding to build new assets. According to 2017 data from the American Society of Civil Engineers, about 8% of Kentucky roads are in poor condition.

Further, businesses like ours can only grow if we have the workforce available to support employer needs. Public transit is an infrastructure category in urgent need of attention. TARC, TANK, and Lextran, the three largest transit systems of more than 30 across the Commonwealth, provide 11 million work-based trips per year.

In FY2016, Kentucky spent \$0.42 per capita on public transit as compared to the national state median of \$4.04. Indiana spent far more than this—\$9.41 per capita on transit. The current funding level is not adequate to keep pace with the critical role that transit plays in getting people to their jobs. Further, toll credits that Kentucky uses to match federal dollars (primarily for capital expenses, like new buses) will no longer be available after 2020. If the state does not designate new funding, our local governments



and transit providers will struggle to find funding just to satisfy existing expenses, let alone invest in new buses, stations, or routes.

Economic success and growth simply cannot happen without additional state funding for infrastructure. Our business at airports is to move people and goods. We are, however, only one part of a transportation system that moves Kentucky, and we urge our state leaders to seize the opportunity in 2019 to enable continued growth by investing in our future.